



PSC NEWS

Missouri Public Service Commission

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SCHEDULED WINTER NATURAL GAS FILING APPROVED FOR MISSOURI PUBLIC SERVICE

Jefferson City (November 14, 2001)---Eastern System customers of UtiliCorp d/b/a Missouri Public Service will see **lower natural gas rates** under a scheduled winter season filing approved by the Missouri Public Service Commission. This decrease, which primarily reflects a reduction in the wholesale cost of natural gas, takes effect November 19, 2001. The winter season covers the period of November through March.

A residential customer currently pays \$1.16476 per Ccf (100 cubic feet of gas). Under this filing, the rate will drop to \$1.08009 per Ccf, a decrease of approximately 8.5 cents per Ccf. The effect on a typical residential heating customer for the winter season is a decrease of \$75.20 or 6 percent when compared to rates currently in effect.

Approximately 60% to 70% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its supplier for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does have regulatory review authority to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Missouri Public Service serves approximately 1,900 natural gas customers in its Eastern System in Phelps County.

